

Statement of Cash Flows - Combining

Proprietary Funds

June 30, 2003

(Amounts in thousands)

	Unemployment Compensation Trust Fund	University of Massachusetts	State Colleges	Community Colleges	Total
Cash Flows from Operating Activities:					
Collection of Unemployment Contributions.....	\$ 2,554,847	\$ -	\$ -	\$ -	\$ 2,554,847
Tuition, Residence, Dining and Other Student Fees.....	-	298,563	131,589	113,503	543,655
Research grants and contracts.....	-	343,732	38,266	116,182	498,180
Payments to Suppliers.....	-	(349,877)	(109,354)	(130,146)	(589,377)
Payments to Employees.....	-	(952,029)	(229,735)	(282,196)	(1,463,960)
Payments to Students.....	-	(34,557)	(10,115)	(26,726)	(71,398)
Payments for Unemployment Benefits.....	(2,635,645)	-	-	-	(2,635,645)
Collection of Loans to Students and Employees.....	-	8,017	2,060	176	10,253
Income from Contract Services.....	-	-	2,533	1,867	4,401
Auxilliary Enterprise Charges.....	-	358,054	17,603	30	375,687
Other Receipts.....	28,446	-	15,751	23,533	67,730
Net Cash Provided By (Used By) Operating Activities.....	(52,352)	(328,097)	(141,401)	(183,777)	(705,627)
Cash Flows from Non-Capital Financing Activities:					
State Appropriations.....	-	453,139	187,742	216,226	857,107
Grants and Contracts.....	-	41,616	1,664	271	43,551
Student Organizations Agency Transactions.....	-	1,467	-	-	1,467
Assignment of Perkins Loans.....	-	-	(3,102)	(352)	(3,454)
Net Cash Provided By (Used By) Non-Capital Financing Activities..	-	496,222	186,304	216,145	898,671
Cash Flows from Capital and Related Financing Activities:					
Capital Appropriations.....	-	30,491	15,869	8,307	54,667
Purchases of Capital Assets.....	-	(143,307)	(38,816)	(26,395)	(208,518)
Proceeds from Debt Issuance.....	-	19,635	25,392	7,367	52,394
Other Capital Asset Activity.....	-	47,500	(13,716)	(1,400)	32,384
Net Purchases / Sales of Investments Held by Bond Trustee.....	-	(11,381)	-	6,030	(5,351)
Principal Paid on Capital Debt and Leases.....	-	(34,619)	(4,181)	(4,875)	(43,675)
Interest Paid on Capital Debt and Leases.....	-	(25,767)	(1,701)	(2,783)	(30,252)
Net Cash Provided By (Used By) Capital Financing Activities.....	-	(117,448)	(17,154)	(13,749)	(148,351)
Cash Flows from Investing Activities:					
Proceeds from Sales and Maturities of Investments.....	-	852,214	1,531	31,691	885,437
Purchases of Investments.....	-	(988,671)	(3,368)	(55,048)	(1,047,088)
Investment Earnings.....	55,007	17,564	2,339	1,788	76,698
Net Cash Provided By (Used By) Investing Activities.....	55,007	(118,893)	502	(21,569)	(84,953)
Net Increase (Decrease) in Cash and Cash Equivalents.....	2,655	(68,216)	28,251	(2,950)	(40,260)
Cash and Cash Equivalents at the Beginning of the Fiscal Year.....	-	411,191	82,042	71,489	564,722
Cash and Cash Equivalents at the End of the Fiscal Year.....	\$ 2,655	\$ 342,975	\$ 110,292	\$ 68,539	\$ 524,462
Reconciliation of operating revenues net income (loss) cash provided (used) by operating activities					
Operating income (loss).....	\$ (932,806)	\$ (437,597)	\$ (203,891)	\$ (261,632)	\$ (1,835,926)
Adjustments to Reconcile Operating income (loss) to net cash Provided By (Used By) Operating Activities:					
Depreciation Expense.....	-	104,017	17,064	19,883	140,964
Fringe Benefits Paid by the Commonwealth.....	-	-	31,331	43,908	75,238
Changes in Assets and Liabilities:					
Accounts Receivable, Net.....	(10,479)	(4,472)	(1,211)	(3,260)	(19,422)
Prepays, Inventories and Other Assets.....	-	2,849	(121)	237	2,965
Loans Receivable and Restricted Cash.....	-	-	112	11	123
Accounts Payable and Accrued Liabilities.....	(46,538)	(13,402)	4,337	(1,823)	(57,426)
Accrued Employee Compensation and Benefits.....	-	2,325	1,541	644	4,511
Student Deposits and Other Unearned Revenues.....	-	103	658	366	1,127
Deferred Revenue.....	541	10,849	1,297	(461)	12,226
Other noncurrent assets - restricted.....	936,930	-	-	-	936,930
Other Liabilities.....	-	7,231	7,482	18,350	33,063
Net Cash Provided By (Used By) Operating Activities.....	\$ (52,352)	\$ (328,097)	\$ (141,401)	\$ (183,777)	\$ (705,627)

The notes to the financial statements are an integral part of this statement.